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"(c) & (d) Yes, Sir. The management of the Maxwell Engineering Works have applied to the Industrial Tribunal for closure of their factory; or in the alternative to retrench their workers. The management of the Durga Factory have intimated the Tribunal about the proposed closure of their foundry. The Essor Engineering Works have been working and the management say that there is no question of closure of the factory or retrenchment.

"(e) The Government have prosecuted the persons responsible for failure to implement the awards."

SRI R. SURYANARAYANA RAO :—"May I know, Sir, what proposals the Government have to enforce where labour violate the Award?"

THE HON. SRI H. SITARAMA REDDI :—"There are provisions in the Act which will be taken advantage of to take suitable action whether it be in the side of labour or management."

Amounts advanced under "the State Aid to Industries Act."

12-15 p.m.

* 89 *Q*.—SRI P. VEERABHADRASWAMI : Will the Hon. the Minister for Industries be pleased to state—

(*a*) the industries which have received aid under "the State Aid to Industries Act" during the years 1945, 1946 and 1947;

(*b*) the amounts advanced;

(*c*) when the amounts were advanced;

(*d*) the amounts recovered so far and the balances due; and

(*e*) the pending applications, the names of the applicants, the amounts requested for and the industries to be started and developed?

THE HON. SRI H. SITARAMA REDDI :—"(*a*) (1) Messrs. The Radio and Electrical, Ltd., Madras, and (2) Messrs. K. V. Ratnam and Bros., Ratnam Fountain Pen Works, Rajahmundry.

"In the case of the Radio and Electrical Ltd., the Government have taken shares to the value of Rs. 2 lakhs. In the case of Messrs. Ratnam and Bros., the Government guaranteed an overdraft with the Imperial Bank of India for Rs. 500 for a period of six months. The Company availed itself of the guarantee only in the year 1945;

"During this period, Government also sanctioned a loan of Rs. 5,000 to Sri N. Narayanappa of Messrs. Narayana Tile Works, Hosur, and a loan of Rs. 3,000 and a subsidy of Rs. 3,000 to Messrs. K. V. Brahmam & Sons, Bheemavaram. The loans were not disbursed due to delay in execution of mortgage deed, etc.

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"(b) The amount advanced to Messrs. Radio Electricals, Ltd., is Rs. 2 lakhs. No advance is involved in the case of Messrs. K. V. Ratnam and Bros.

"(c) A sum of Rs. 1 lakh was advanced on 29th December 1945 and another sum of Rs. 1 lakh on 24th January 1946 to Messrs. The Radio Electrical, Ltd.

"(d) As Government have taken shares in the case of Messrs. The Radio Electrical, Ltd., the question of recovery does not arise. No recovery is involved in the case of Messrs. K. V. Ratnam and Bros.

"(e) A statement[a] containing the information is placed on the table of the House."

Rate of interest charged by a Primary Society in Rayalaseema.

* 90 *Q.*—Sri R. SURYANARAYANA RAO (on behalf of Sri C. N. Muthuranga Mudaliyar): Will the Hon. the Minister for Local Administration be pleased to state—

(a) what the rate of interest at which the ultimate borrower is charged by a primary society in Rayalaseema is and what the rate at which the district banks at Rayalaseema are borrowing from the Provincial Co-operative Bank is;

(b) whether it is a fact that the private money-lender's rate of interest is much below the Co-operative Societies' rate of interest in Rayalaseema;

(c) what steps the Government propose to take in order to reduce the lending rate to the ultimate borrower;

(d) what steps the Government propose to take to see that the concessions recommended by the committee are shown to the borrowing ryots; and

(e) what orders the Government have passed on the recommendations of the committee to minimize the overhead expenditure of societies doing small business?

The Hon. Sri K. CHANDRAMOULI :—" (a) to (e) The answer[b] is printed and placed on the table of the House."

Sri R. SURYANARAYANA RAO :—" With reference to answer to clause (b) of the question, the Government say that no information is readily available with regard to the private money-lender's rate of interest and they quote the observations of the Rayalaseema Co-operatie Enquiry Committee. Are the Government aware that those observations of the Committee are based on the evidence collected on the spot? If they say, they should feel satisfied with the evidence collected by the Committee. In view of the fact that the rate of interest in the district banks is higher than that charged by the private money-lenders, what are the steps the Government are going to take in order to reduce the rate of the interest charged by the banks? "

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[a] Printed as Appendix IV on pages 274–276 infra.

[b] Printed as Appendix V on page 277–280 infra.